




Interoffice Memorandum

April 29, 2024

To: Mayor Jerry L. Demings
-AND-
County Commissioners

From:  Carrie Mathes, CFCM, NIGP-CPP, CPPO, C.P.M., Manager II, Procurement Division

Contact: John Goodrich, Deputy Director, Health Services Department
407-836-7689

Subject: Selection of Consultant, Request for Proposals Y24-1004-KK, Third Party Administrator Services for Orange County Health Services Department

RECOMMENDATION:

Selection of one firm and an alternate to provide Third Party Administrator Services, Request for Proposals Y24-1004-KK, from the following firms listed alphabetically:

- Heritage Health Solutions, Inc.
- Zenith American Solutions, Inc.

Further request Board authorization for the Procurement Division to negotiate and execute a contract in the estimated amount of \$20,622,500 for a one-year term. The firm's fee is \$622,500 is the firm's fee for adjudicating claims and \$20,000,000 is pass through payments to medical providers. Further request authorization for the Procurement Division to renew the contract for four additional one-year terms.

Further request Board authorization for the Procurement Division to formally terminate negotiations with the top ranked firm if we are unable to come to a favorable negotiated agreement and commence negotiations with the next ranked alternate until a successful negotiation is reached.

PROCUREMENT:

The Contractor will review, adjudicate, and process medical claims for services related to Corrections Health, the Medical Clinic, and Ryan White program.

FUNDING:

Funding is available through account numbers 0001-060-3806-3195, 0001-060-2502-3195, and 7014-060-7302-3195. Federal funding is available through the Health Resources and Services Administration.

DISCUSSION:

Proposals were evaluated by the Procurement Committee on April 24, 2024. Commissioner Mayra Uribe was assigned to the Procurement Committee.

Three proposals were received in response to this Request for Proposals. The proposal received from Self Insured Plans DBA 901 Degree Benefits scored too low for Board consideration.

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The Health Services Department provides a variety of services, including medical and mental health care, to inmates housed at the Orange County Corrections Department, medical services for the County's indigent healthcare program (Medical Clinic – PCAN), and coordination of medical care to persons living with HIV/AIDS enrolled in the Ryan White Part A Program. As a result, thousands of medical claims are processed every year to pay for services delivered by contracted providers. The Third Party Administrator will be responsible for the adjudication and processing of payments in an accurate and efficient matter. Funds for the payment of claims will be kept in a separate bank account which shall be reconciliated and a report provided for each program on a weekly basis.

Consensus scores of the Procurement Committee are attached.

Procurement Committee Meeting - April, 24, 2024

Y24-1004-KK, Third Party Administrator Services for Orange County Health Services Department

CRITERIA	Qual. of Staff	Qual of Firm	Technical Approach	Fee Proposal	Total Weighted Points
Weighted Value	25	25	30	20	100
Heritage Health Solutions, Inc.	100.00	93.75	105.00	98.67	397.42
Zenith American Solutions, Inc.	68.75	50.00	90.00	100.00	308.75



Interoffice Memorandum

April 23, 2023

To: Kaitlin Kolhoff, Contracting Agent
Procurement Division

FROM: Sheena Ferguson, Manager *S. F.*
Business Development Division

SUBJECT: Y24-1004-KK, Third Party Administrator Services For Orange County
Health Services Department

Orange County would receive federal funding through the Health Resources and Services Administration of the Department of Health and Human Services for the services solicited in the Request For Proposal. Accordingly, Orange County's M/WBE ordinance and program do not apply to this solicitation.

Orange County shall participate in the federal requirements 2 CFR 200.321 (or 45 C. F. R. 75.330 for Health and Human Services funds) to ensure small and minority-owned firms, women-owned business enterprises, and labor surplus area firms have been afforded subcontracting opportunities.

The Business Development Division evaluated the four bids to denote whether an executed and notarized "Affidavit of Compliance Requirements" form submitted with the proposal was compliant with the federal requirements. Heritage Health Solutions, Inc., Self Insured Plans DBA 90 Degree Benefits and Zenith American Solutions, Inc. provided the executed and notarized federal compliance forms.

Listed below are respondents to the subject RFP with their small and minority-owned firms, women-owned business enterprises, and labor surplus area firms' utilization:

Prime Contractor	Firm(s) listed	Type of Work	Percentage of Subcontract
Heritage Health Solutions, Inc.	None listed		
	Total Federal M/WBE Participation %		0%

Prime Contractor	Firm(s) listed	Type of Work	Percentage of Subcontract
Self Insured Plans DBA 90 Degree Benefits	None listed		
	Total Federal M/WBE Participation %		0%

Prime Contractor	Firm(s) listed	Type of Work	Percentage of Subcontract
Zenith American Solutions, Inc	"To be determined"		
	Total Federal M/WBE Participation %		0%